

	Policy	Health Care Implementation Council Report Recommendation	Updates
A	Establish a Health Benefit Exchange	Establish a Health Benefits Exchange	PA 97-0142: established that the State shall create a Health Benefits Exchange.
B	Establish the Exchange as a Quasi-Governmental Entity	Establish the Exchange as a Quasi-Governmental Entity	<ul style="list-style-type: none"> • This was not addressed in PA 97-0142. • The Legislative Study Committee (LSC) acknowledges this is a possible option. • The HMA/Wakely report details the benefits and drawbacks of each option for the organizational structure of an Exchange (p. 21-23).
B1	Operating Model	The council recommends initially organizing the Exchange as a "market developer" and later transitioning to a "market organizer" model once premium volume and a sufficient number of covered lives are achieved within the Exchange marketplace.	<ul style="list-style-type: none"> • PA 97-0142: did not address • Consultant reports: did not address

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B2	Single Exchange or Separate Individual Market and SHOP Exchange	The council recommends that IL initially establish a single Exchange entity that sells products to both individuals and small employers.	<ul style="list-style-type: none"> • PA 97-0142: established that the Exchange shall separate coverage pools for individuals and small employers. • Consultant reports also recommend that individual and small group markets should be separate at first, but monitor markets after implementation. • The HMA/Wakely report predicts that combining the individual and small group risk pools would lead to significantly higher premium rates in the individual market and only minimally decreased premium rates in the small group market (p. 95-97).
B3	Regional or Subsidiary Exchanges	The council recommends that the state further examine the potential benefits of a regional Exchange, which may be necessary to accommodate the health care needs of Illinois residents who obtain medical care in other states	
B4	Financial Sustainability	<ul style="list-style-type: none"> • The council recommends further study to identify a long-term funding mechanism from carriers, other health care stakeholders, or both. • Funding should be independent of state general revenue funds. 	<ul style="list-style-type: none"> • The HRIC believes that the administrative and other expenses of the board shall be funded by an assessment of all insurers. • The HRIC further maintains that no state general revenue fund shall be used for the administrative and other expenses of the Exchange. • The LSC report identifies several options for financing, and they seem to agree that funding should be independent of state GRF. • The HMA/Wakely report provides a detailed estimation of Exchange startup and operating expenditures through 2015 and

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			has calculated the required assessment on participating health plans for a range of potential enrollment scenarios (p. 61-82).
C	Additional Health Insurance Consumer Protections	The council recommend that the state incorporate ACA reforms into state law to ensure clear, consistent and fair implementation	DOI intends to pursue legislation to strengthen the existing provisions in the IL Insurance Code, and to include a federal provision that bans rescissions.
C1	Internal Appeals and External Review	The council recommends enacting legislation that brings Illinois law into compliance with ACA standards governing internal appeals and external review processes, to avoid federal preemption of state law.	PA 97-057 effective 8/26/11
C2	Minimum Medical Loss Ratio Requirements	The council recommends enacting legislation to adopt and incorporate the ACA minimum medical loss ratio requirements into state law, given the importance of these provisions to Illinois families and businesses seeking enhanced value from the purchase of health insurance.	DOI intends to pursue legislation in Spring 2011 codifying MLR in IL law; it is already established in federal law
C3	Premium Rate Review	The council recommends enacting legislation giving the Department of Insurance the authority to approve or deny proposed health insurance rate increases.	DOI would like to pursue legislation in Spring 2011

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C4	Health Care Cooperative Program	The council recommends that Illinois law be amended as necessary to remove barriers and facilitate formation of nonprofit member corporations eligible for federal funding under the ACA.	DOI is considering legislation to enable Health Care Cooperatives
C5	Mental Health Parity	The council recommends enacting state legislation to bring Illinois law into compliance with the Mental Health Parity and Addiction Equity Act (MPHAEA) and the Mental Health Parity Act (MHPA), which will enable the Department of Insurance to assure consistency with these federal laws.	PA 97-0437 effective August 18th
D	Eligibility Verification and Enrollment (EVE)	The council recommends that the state: establish an interagency project management team to ensure that state departments meet key deadlines; allocate sufficient resource to departments engaged in ACA implementation to meet the October 1, 2013 deadline to begin enrollment in the Exchange; ensure that development of the EVE system is consistent with state efforts to coordinate enrollment in other government programs; capture as much federal funding as possible and budget sufficient state funds to acquire the necessary technology	Interagency project management team overseeing eligibility system modernization seems to be functioning well
A1	Additional Adjustments to the Health Insurance Marketplace	The council recommends further study whether the definition of "small employer" should be increased from 50 to 100 employees and whether larger employers should be allowed to participate in the Exchange	PA 97-0142 sets the number of employees at 50 for small businesses to participate until 2016 when federal law requires increasing size to 100.

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A2	Dual Market and Regulatory Parity	The council recommends that Illinois initially establish a “dual market” system and pursue legislation to foster regulatory parity between the Exchange and non-Exchange markets.	
A3	Risk Adjustment, Reinsurance and Risk Corridors	The council recommends obtaining the statutory authority to implement federal risk adjustment measures.	Developing consensus that Illinois would use Federal risk adjustment mechanisms.
A4	Benefit Mandates	The council recommends waiting for further guidance from HHS before deciding whether to require benefits beyond the “essential benefits” defined by HHS.	Awaiting further guidance from HHS
A5	Basic Health Plans	The council recommends waiting for further guidance from HHS before deciding whether to establish a Basic Health Plan and what it should include.	Awaiting further guidance from HHS and additional actuarial work.
B1	Consumer Outreach	The council recommends that the state continue to engage employers, consumers, and insurers to develop an aggressive and culturally sensitive outreach plan that reflects Illinois’ demographic and geographic diversity and the myriad health care needs of Illinois families and employers.	DOI received a \$1.45m Consumer Assistance Grant from HHS on Oct. 19, 2010. The grant will support the states' efforts to establish and strengthen consumer assistance programs that provide direct services to consumers with questions or concerns regarding their health insurance.
B2	Role of Navigators and Producers (Agents and Brokers)	The council recommends that the state further study this issue to identify innovative solutions that maintain the vital role of insurance producers while keeping costs affordable. Navigators and producers should receive similar or identical compensation for sales both inside and outside the Exchange.	To be decided by legislation or Exchange governing body

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C	Healthcare and Public Health Workforce	The council recommends convening a Healthcare Workforce work group to develop an aggressive, comprehensive plan for professional and paraprofessional health care and public health worker shortages statewide, now and in the future.	Anticipate that subcommittee of State Health Improvement Plan Implementation Council will be formed to address workforce issues
D	Health Information Technology	The council recommends aggressive implementation of the Illinois Health Information Exchange (HIE) Strategic and Operational Plan.	Office of Health Information Technology focuses on these issues along with IL Health Information Exchange Authority
E	Incentives for High-Quality Care	The council recommends establishing a Quality work group to develop a coordinated strategy among appropriate state agencies to improve health care quality.	Work group development delayed pending outcome of Exchange legislation
F	Reforms for Medicaid Service Structures and Incentives	Establish a System Design work group to identify options, establish priorities, and take advantage of appropriate funding opportunities under ACA to implement Medicaid program reforms and mandates.	The Innovations Program launched July 2011; soliciting creative models for care coordination under Medicaid.
G	Early Medicaid Expansion	The council recommends that Illinois not apply for a federal waiver to expand Medicaid prior to 2014 unless the General Assembly lifts the recent moratorium on eligibility expansion.	There has been no expansion or application for a wavier at this time. PA 96-1501 put a moratorium on new eligibility expansions for two years. Exploring the possibility of some county-based waivers that would have no additional costs for State.